Ordinance No. 2022-09

An Ordinance amending sections 600.030 and 600.035 of the Minnetonka City Code; relating to liquor licenses; authorizing issuance of cocktail room licenses to licensed distilled spirits manufacturers; authorizing issuance of on-sale small brewer – small container licenses for certain small brewers of 3.2 percent malt liquor or intoxicating malt liquor

The City of Minnetonka Ordains:

Section 1. Section 600.030 of the Minnetonka City Code is amended to read as follows:

600.030. 3.2 Percent Malt Liquor Licenses.

The city council may issue the following types of 3.2 percent malt liquor licenses.

- 1. "On-sale 3.2 Percent Malt Liquor" Licenses. Retail "on-sale 3.2 percent malt liquor" licenses obtained pursuant to this ordinance will permit the licensee to sell 3.2 percent malt liquors for consumption on the licensed premises and will be issued only to restaurants, hotels, bona fide clubs and establishments used exclusively for the sale of nonintoxicating malt beverages with the incidental sale of tobacco and soft drinks.
- 2. "Off-sale 3.2 Percent Malt Liquor" Licenses. Retail "off-sale 3.2 percent malt liquor" licenses obtained pursuant to this ordinance will permit the licensee to sell 3.2 percent malt liquors in original packages for consumption off the premises only.
- 3. "Off-sale brew pub 3.2 percent malt liquor" licenses may be issued only to a brewer who holds a state license issued under Minn. Stat. § 340A.301, subd. 6, clause (d) and a city-issued on-sale 3.2 percent malt liquor license for a restaurant operated in the place of manufacture. The off-sale brew pub malt liquor license authorizes the off-sale of 3.2 percent malt liquor produced and packaged on the premises. The license is subject to the requirements of this section and Minn. Stat. § 340A.301, subd. 7(b).
- 4. "Off-sale small brewer 3.2 percent malt liquor" licenses may be issued only to a brewer who holds a brewer license issued by the state pursuant to Minn. Stat. § 340A.301, subd. 6, clause (c), (i) or (j). The license authorizes the brewer to sell, at off-sale, 3.2 percent malt liquor that has been produced and packaged by the brewer at its licensed premises, subject to the requirements and limitations in Minn. Stat. § 340A.28-in 64-ounce containers commonly known as "growlers" or in 750 milliliter bottles. The license is subject to the requirements of this section and Minn. Stat. § 340A.301, subd. 6d.
- 5. "Off-sale small brewer 3.2 percent malt liquor small container" licenses may be brewer who holds a license issued by the commissioner of public safety, in accordance with Minn. Stat. § 340A.29. The license authorizes the brewer to sell, at off-sale, malt

liquor that has been produced and packaged by the brewer at its licensed premises, subject to the requirements and limitations in Minn. Stat. §§ 340A.28 and 340A.29.

<u>56</u>. "Temporary" Licenses.

- a. A temporary on-sale license for 3.2 percent malt liquor may be issued to a club or charitable, religious or nonprofit organization subject to the following:
- (1) submission of a completed application to the director of community development at least 60 days in advance of the event for which the license is requested;
- (2) submission of evidence of insurance with the same coverage limits and provisions as is required for the issuance of an "on-sale" or "off-sale" license for an establishment with sales of 3.2 percent malt liquor of \$25,000 or more per year;
 - (3) posting of a performance bond in the amount of \$1,000;
 - (4) payment of the license fee specified in section 710;
- (5) submission of a list of responsible persons who may be contacted in case of any emergency. Those persons must be residents of the twin cities metropolitan area as defined by Minn. Stat. § 473.121, subd. 2. At least one of the listed persons must be present on the licensed premises during all hours of sale.
 - (6) submission of other information as may be required by the city council.
- b. The license may be issued for a specified period of time, not to exceed three consecutive days, after a hearing on the matter by the city council. Notice of the hearing must be published in the official newspaper at least ten days before the date of the hearing.
- c. The license may be issued for an event to take place on public property, including in or near any school building.
- <u>67</u>. Exemptions. Any person holding an on-sale intoxicating liquor license may sell 3.2 percent malt beverages at on-sale without obtaining a license under this section. Any person holding an off-sale intoxicating liquor license may sell 3.2 percent malt beverages at off-sale without obtaining a license under this section.
- Section 2. Section 600.035 of the Minnetonka City Code is amended to read as follows:

600.035. Intoxicating Liquor Licenses.

The city council may grant the following types of intoxicating liquor licenses.

- 1. "On-sale intoxicating" licenses may be issued only to hotels, clubs, and restaurants. A license may be issued to clubs and congressionally chartered veterans organizations if they have been in existence for at least three years and liquor sales will only be to members and bona fide guests. A restaurant that holds an on-sale intoxicating liquor license may also operate under a caterer's permit issued by the Minnesota commissioner of public safety, if the operation is in accordance with state law.
- 2. "On-sale wine" licenses may be issued to restaurants for the sale of wine not exceeding 14 percent alcohol by volume and for consumption on the licensed premises only in conjunction with the sale of food. An on-sale wine license may only be issued to a restaurant that has seating for at least 25 guests at one time.
- 3. "On-sale brewer taproom" licenses may be issued only to the holder of a brewer's license issued by the state and in accordance with Minn. Stat. § 340A.26.
- 4. "On-sale brew pub" licenses may be issued only to a brew pub in accordance with Minn. Stat. § 340A.24.
- 5. "On-sale microdistillery cocktail room" licenses may be issued only to the holder of a microdistillery license or distilled spirits manufacturer license issued by the state of Minnesota and in accordance with Minn. Stat. § 340A.22.
- 6. "On-sale culinary class" license may be issued to a business establishment that is not otherwise eligible for an on-sale intoxicating liquor license and that, as part of its business, conducts culinary or cooking classes for which payment is made by each participant or advance reservation required. The license authorizes the licensee to furnish to each participant in each class, at no additional cost to the participant, up to a maximum of six ounces of wine or 12 ounces of intoxicating malt liquor, during and as part of the class, for consumption on the licensed premises only. All provisions of city code section 600 that apply to on-sale intoxicating liquor licenses apply to licenses issued under this subdivision, except section 600.055 and other provisions inconsistent with this subdivision.
- 7. "Off-sale intoxicating" licenses may be issued only to exclusive liquor stores and will permit "off-sales" of intoxicating liquor and 3.2 percent malt liquor. As an incident to these sales, ice, soft drinks and all forms of tobacco may also be sold.
- 8. "Off-sale brew pub malt liquor" licenses may be issued only to the holder of an on-sale brew pub license, in accordance with Minn. Stat. § 340A.24. The off-sale brew pub malt liquor license authorizes the off-sale of malt liquor produced and packaged on the premises.
- 9. "Off-sale small brewer malt liquor" licenses may be issued only to a brewer who holds a brewer license issued by the Minnesota commissioner of public safety, in accordance with Minn. Stat. § 340A.28. The license authorizes the brewer to sell, at off-

- sale, malt liquor that has been produced and packaged by the brewer at its licensed premises, subject to the requirements and limitations in Minn. Stat. § 340A.28 in 64-ounce containers commonly known as "growlers" or in 750 milliliter bottles.
- 10. "Off-sale small brewer malt liquor small container" licenses may be issued to a brewer who holds a license issued by the commissioner of public safety, in accordance with Minn. Stat. § 340A.29. The license authorizes the brewer to sell, at off-sale, malt liquor that has been produced and packaged by the brewer at its licensed premises, subject to the requirements and limitations in Minn. Stat. §§ 340A.28 and 340A.29.
- <u>4011</u>. "Off-sale microdistillery" licenses may be issued only to a microdistillery in accordance with Minn. Stat. § 340A.22. The license authorizes the microdistillery to sell, at off-sale, <u>distilled spiritsone 375 milliliter bottle per customer per day of product manufactured on-site</u>, subject to the requirements <u>and limitations</u> of § 340A.22.
- 4412. A license for "Sunday sales" at on-sale may be issued only to a hotel or restaurant to which an "on-sale" license has been issued. A license for Sunday sales at off-sale may be issued only to a brewer that holds an off-sale brew pub malt liquor license or an off-sale small brewer malt liquor license, and Sunday off-sales may only be made between the hours of 10:00 a.m. and 10:00 p.m. No Sunday sales license is needed for "on-sale wine" licensees. Except in the case of "on-sale wine" licensees, no Sunday sales of intoxicating liquor may be made without a license for Sunday sales.
- 4213. A "consumption and display permit" may be issued to an organization that complies with the requirements of Minn. Stat. § 340A.414 and that has obtained a permit from the commissioner of public safety. No business establishment or club that does not hold an on-sale intoxicating liquor license may directly or indirectly allow the consumption and display of alcoholic beverages or knowingly serve any liquid for the purpose of mixing with intoxicating liquor in the city without first obtaining a permit from the city.
- 1314. "Temporary on-sale licenses" may be issued only to (a) a club or charitable, religious, or other nonprofit organization that has been in existence for at least three years or (b) a brewer who manufacturer fewer than 3,500 barrels of malt liquor in a year, in connection with a social event sponsored by the organization holding the temporary license. The licenses are subject to the same conditions listed in 600.030(5) except that the time period may not exceed four consecutive days. The insurance requirements of Minnesota Statutes section 340A.409, subdivisions 1 through 3a, apply to a temporary license issued to a brewer under this subdivision. The number of temporary licenses issued may not exceed the number of temporary licenses established by state law.
- 44<u>15</u>. "Temporary consumption and display permits" may be issued for one day to nonprofit organizations in conjunction with social events sponsored by the organization in the city. No more than ten temporary permits may be issued in one year. The permits are subject to the same conditions listed in 600.030(5).

4516. "Temporary off-sale wine licenses" may be issued to allow for the off-sale of vintage wine at an auction. The wine must be at least five years old and of a brand and vintage that is not commonly being offered for sale by any wholesaler in Minnesota. No more than 600 cases of wine may be sold at any auction, and each license may not exceed three consecutive days.

1617. Exemption. A person who holds an on-sale wine license and an on-sale 3.2 percent malt liquor license, may sell intoxicating malt liquors at on-sale without an additional on-sale license.

Section 3. A violation of this ordinance is subject to the penalties and provisions of Chapter XIII of the city code.

Section 4. This ordinance is effective 30 days after publication.

Adopted by the city council of the City of Minnetonka, Minnesota, on July 18, 2022.

Ton Wasson

Brad Wiersum, Mayor

Attest:

--- DocuSigned by:

Bucky koosman

Becky Koosman, City Clerk

Action on this Ordinance:

Date of introduction: June 27, 2022 Date of adoption: July 18, 2022

Motion for adoption: Kirk Seconded by: Schack

Voted in favor of: Coakley, Kirk, Schack, Wilburn, Calvert, Schaeppi, Wiersum

Voted against: None Abstained: None Absent: None

Ordinance adopted.

Date of publication:

Ordinance No. 2022-09	Page 6
I certify that the foregoing is a true and correct copy of an ordinance adop of the City of Minnetonka, Minnesota, at a meeting held on July 18, 2022.	
Becky Koosman, City Clerk	

The stricken language is deleted; the <u>underlined</u> language is inserted.